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IN THE UNITED STATES DISTRICT COURT

DISTRICT OF OREGON

PORTLAND DIVISION

FLIR SYSTEMS, INC., an Oregon
corporation,

Plaintiff,

vs.

THOMAS L. GAMBARO, an individual
d/b/a **PATENT ENFORCEMENT
COMPANY; MOTIONLESS
KEYBOARD COMPANY**, an Oregon
corporation.

Defendants.

Civil No.: 3:10-cv-00231-BR

**DECLARATION OF
THOMAS SCANLON**

I, THOMAS SCANLON, hereby declare as follows:

1. I am a Vice President of the Commercial Systems Division of FLIR Systems, Inc. ("FLIR"). As such, I am in charge of FLIR's industrial camera sales in the Western Hemisphere. For the past decade, I have been responsible for the sales, marketing, and business operations of FLIR's Thermography Division. I have been actively involved in camera development and design at FLIR for the past twenty years, and I personally hold patents in thermal imaging camera design. I have reviewed the pleadings in this case, as well as defendants' document requests. The products which defendants accuse of infringement in this action fall within my area of responsibility; I am intimately familiar with the development, marketing, and sales of those products. All statements in this declaration are within my personal knowledge.

2. FLIR would suffer serious and irreparable harm if detailed information about the design of its products were made publicly available. FLIR has experienced at least four or five instances of other companies copying its products, including by the Chinese company, SAT. This is an area of constant concern to FLIR. Public disclosure of even those CAD drawings of the limited area on the external surface of the products that pertains to this case would be helpful to FLIR's competitors and very detrimental to FLIR.¹

¹ I am informed that Defendant Gambaro has also requested CAD drawings of other parts of the FLIR thermal imaging cameras, including internal layout and design. Those areas are not relevant to the issues in this case. Information about the internal workings of the FLIR thermal imaging cameras is not only propriety, but some of the technology embedded in them is used in other FLIR instruments which are deployed for military applications, including use by the United States Armed Forces. FLIR will vigorously resist producing information which exceeds the proper scope of discovery and it will seek the assistance of this court to prevent abuse of the discovery process.

3. Public dissemination of FLIR's sales and market data, including unit volumes by product and by market type, or pricing policy, would be extremely prejudicial to FLIR. FLIR works in a niche market filled with formidable competitors to whom such information would be extremely useful in gaining competitive advantage over FLIR. For example, FLIR is currently locked in a very aggressive battle with FLUKE, a well capitalized company that manufactures and sells a family of thermal imaging products that have similar price points and market segments to the FLIR products that are the subject of this case. FLIR's sales and market data would be extremely useful to FLIR's competitors, such as FLUKE, in optimizing their product development and marketing strategies, at FLIR's expense. Public disclosure of such information also has the potential to be disruptive to FLIR's business relationships with existing and prospective customers.

4. FLIR's product development and design, as well as its sales and market data, is extremely sensitive proprietary information which FLIR guards closely. FLIR – like its competitors – does not publish such information or otherwise disclose it. Anyone who is privy to this kind of information, including FLIR's employees, agents, contractors, service providers, investors, and potential partners, is required to sign a confidentiality agreement prior to disclosure as part of FLIR's effort to keep information of this kind out of the hands of its competitors.

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5. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 26th day of July 2010, in Billerica, MA.

By: _____
THOMAS SCANLON

CERTIFICATE OF SERVICE

I certify that on July 26, 2010, I served or caused to be served a true and complete copy of the foregoing **DECLARATION OF THOMAS SCANLON** on the party or parties listed below as follows:

_____ Via CM / ECF Filing
_____ Via First Class Mail, Postage Prepaid
_____ Via Email
_____ Via Personal Delivery

Thomas L. Gambaro
individually and dba
Patent Enforcement Company
and Motionless Keyboard Company
P.O. Box 14741
Portland, OR 97293

Defendants *Pro Se*

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Of Attorneys for Plaintiff FLIR Systems,
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